

SEPTEMBER 2023

CA – SYR  
CRISIS ANALYSIS – SYRIA



# SYRIA

## MONTHLY REPORT



## SEPTEMBER 2023

This timeline provides a snapshot of key events throughout the month. These events have been selected for their impact and relevance, and do not necessarily feature as full articles in the Monthly Report.



### Politics and policy

#### Damascus

Bashar al-Assad introduces Decree 32/2023 abolishing military field courts. The decree ends the legal authority of military courts established in 1968 to prosecute cases without appeal. Under the new decree, all pending cases will be transferred to standard military courts to be tried under the military justice system.



### Politics and policy

#### Syrian Salvation Government archives civil records

The Syrian Salvation Government's Ministry of Interior reportedly began archiving civil records in all its civil registry centers to protect them from damage or loss.



### Humanitarian updates

#### WFP global report

The World Food Programme issues a global report warning of the repercussions of funding cuts: Reportedly, every 1% cut in food assistance risks "pushing more than 400,000 people towards the brink of starvation." The report also estimated that 24 million people around the world are expected to "slip into emergency hunger" over the next 12 months. Funding reductions in many countries, including Syria, will have a negative ripple effect on levels of hunger.



### Public health

#### Cholera in northwest Syria

The Early Warning, Alert and Response Network (EWARN) reports that 465 suspected cases of cholera were recorded in the northwest in September. There have been 1,034 confirmed cases of cholera since the start of the outbreak in September 2022, with 24 recorded deaths.

03

04



### Economy and markets

#### Fuel prices double in Deir-ez-Zor

Fuel prices in government-held areas of Deir-ez-Zor have almost doubled. Unstable security in the governorate, caused by clashes between the SDF and Arab tribes, have meant suspension of fuel smuggling operations across the Euphrates river. The price of diesel is now SYP 6,000 per liter, and gasoline is SYP 6,500.

06

07



### Humanitarian updates

#### Deir-ez-Zor clashes

UN OCHA reports that confrontations in northern and eastern Deir-ez-Zor between the SDF and local tribes have left 69 dead, and 96 injured in August. Thousands more people's livelihoods and lives are impacted by the instability.

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12



### Services

#### Water stations damaged in clashes

The head of the Deir-ez-Zor Civic Council Water Corporation says that five water stations are no longer functional after sustaining damage during the recent clashes between the SDF and residents. The water stations mentioned are in Sabha, Jarda, Thiban (now operational again), Darnaj and Kou' al-Atal in eastern Deir-ez-Zor.

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### International and regional updates

#### Cross-border smuggling

The Jordanian army shoots down two drones flying into Jordan from Syria. The drones were reportedly carrying unspecified quantities of crystal methamphetamine. Eleven drones have been intercepted since the start of 2023, carrying either narcotics, arms or munitions.



# Executive summary

Bashar al-Assad visited China on 22 September to attend the opening ceremony of the Asian games in Hangzhou city. The president's visit signaled a developing relationship between Damascus and Beijing, which could ease Assad's international isolation, and provide potential reconstruction funding streams from China. It culminated in the announcement of a strategic partnership between both countries. Despite the political significance of the partnership, it is unlikely to materialize into investments and funding given the instability in Syria and unguaranteed returns.

In south and central Syria, the government employed a number of tactics in an attempt to end the As-Sweida protests. Local officials tried to negotiate with protest leaders, pro-government media tried to discredit them, government forces tried to intimidate the protestors, and government officials tried to dissuade domestic and regional Druze actors from supporting them. The protests however continued to grow, even generating interest from foreign governments. In Damascus, government employees complained of dysfunctional ATMs, making it difficult for them to withdraw their salaries.

In northeast Syria, the Ar-Raqqa Civic Council (RCC) announced on 5 September that 93 families (360 individuals), left Al-Hol camp to return to Ar-Raqqa. The returnees are likely to face difficulties reintegrating into society, including from hostile host communities wary of their suspected links to ISIS, and their level of surveillance by the SDF. They also face challenges securing personal identification documents which could prevent them accessing housing and healthcare, and public education for their children. In Deir-ez-Zor, the Autonomous Administration issued measures to boost the economy and alleviate poor living conditions amid decreasing purchasing power and increasing prices. Salaries for public employees and the military were raised by 100%, while economic policy was introduced to attract investments, reduce monopolies and regulate payments. Finally, in retaliation to a terrorist attack in Ankara, claimed by the Kurdistan Workers' Party, Turkey bombed key services infrastructure.

In northwest Syria, the first UN aid convoy since July entered through the Bab al-Hawa border crossing. A relatively new entity, the Humanitarian Action Coordination Office, has facilitated the aid deliveries, reportedly separate from an agreement reached between the UN and Damascus back in August following the Security Council's rejection of the extension of the cross-border aid mechanism. How, and for how long, the deliveries have been allowed is unknown. In Idleb, the Syrian army has responded viciously to an attack on a Military Academy in Homs, launching extensive aerial campaigns targeting hospitals, schools and residential areas throughout opposition-held areas. Displacement and civilian casualties have been extensive. In northern Aleppo, infighting in the opposition armed group Ahrar al-Sham – Eastern Sector, affiliated with HTS and with members now linked to the Syrian National Army, caused instability throughout Euphrates Shield areas with Turkish intervention needed to restore peace.

Cover photo: Residents of Al-Hol camp in northeast Syria. (Source: New Humanitarian, 2013)

Economic indicators

International

Assad China visit ends in strategic partnership

South and Central Syria

As-Sweida protests continue

ATMs out of service amid electricity and staff shortages

Northeast Syria

Al-Hol families return to Ar-Raqqa

Administration introduces measures to stabilize economy

Turkey Responds to Ankara terrorist attack

Northwest Syria

UN aid resumes through Bab al-Hawa

Homs bombing fuels brutal retaliation

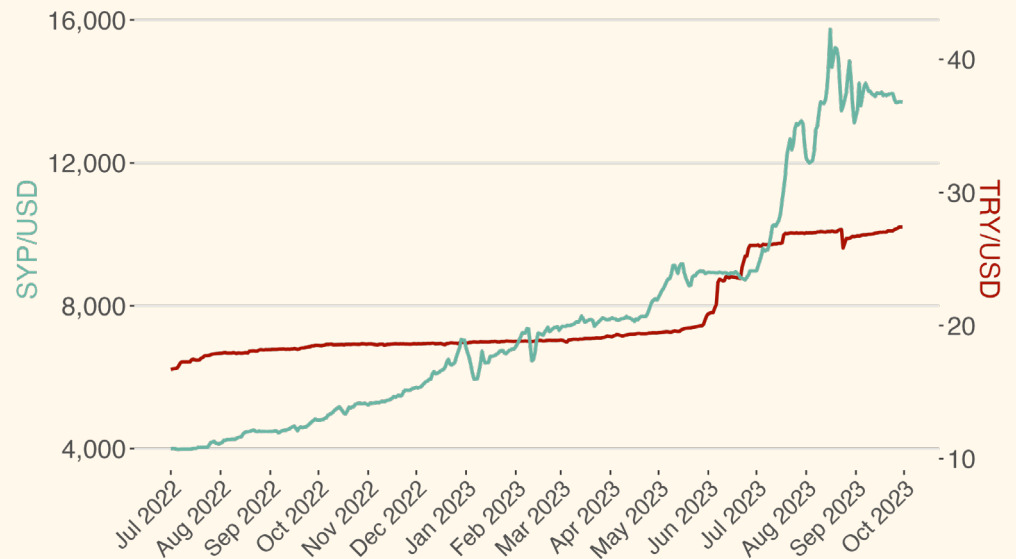
HTS rebellion causes instability in Euphrates Shield areas

# Economic indicators

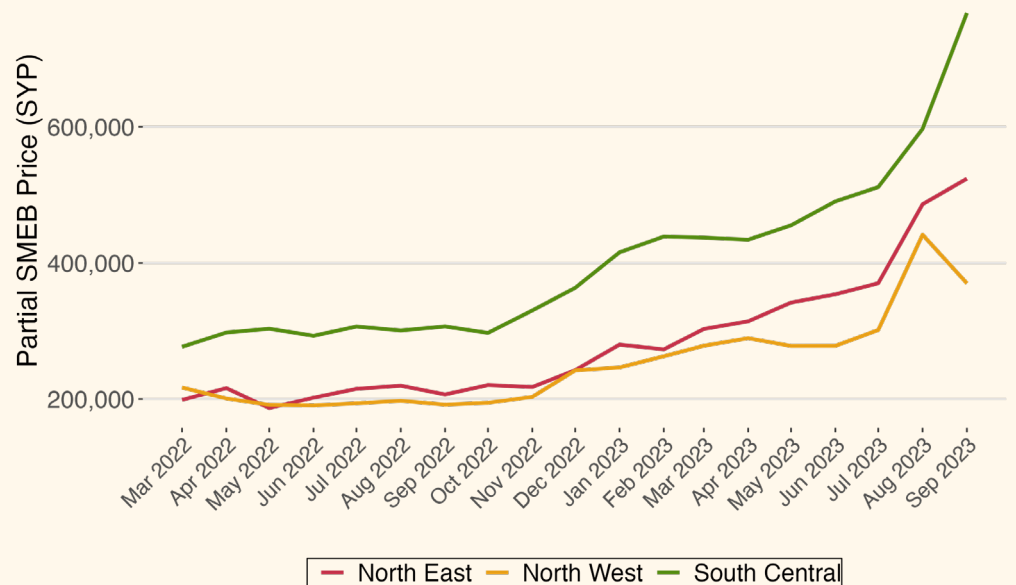
**Economic indicator 1.**  
Official and parallel market exchange rates, SYP/USD and TRY/USD,

	July 2023	August 2023	September 2023
SYP/USD official exchange rate	3,000	8,585.0	8,585.0
SYP/USD parallel market rate	11,052.4 (24.1%)	13,748.3 (24.4%)	13,884.0 (1%)
TRY/USD official rate	26.2 (10.4%)	26.9 (1.7%)	27.0 (0.4%)

**Economic indicator 2.**  
SYP/USD and TRY/USD, exchange rates



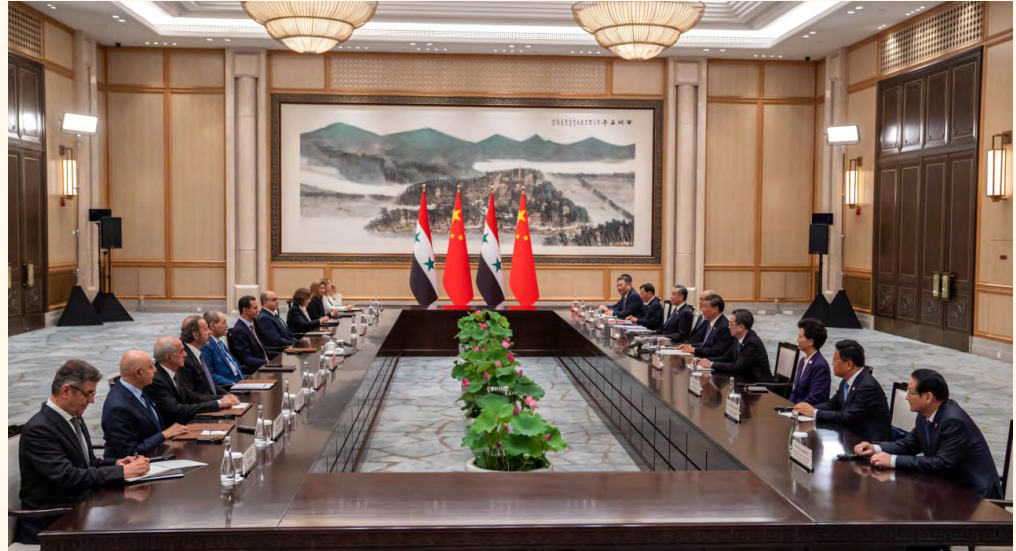
**Economic indicator 3.**  
Change in partial SMEB price by zone of control.  
The partial SMEB price monitoring tool is in part built on Sphere recommendations of a 2100kcal daily diet per person. Items covered in the assessment include basic food items such as bread, rice, bulghur, lentils, oil, sugar, meats, vegetables, and fruit.





# International

## Assad China visit ends in strategic partnership



*Sino-Syrian bilateral summit in Beijing on 25 September (Source: [SANA](#)).*

On 21 September, Bashar al-Assad [visited](#) China amid an economic crisis and anti-government protests in Syria. In an effort to ease his government's international isolation, the Syrian president visited the eastern Chinese city of Hangzhou as one of many foreign leaders invited to attend the opening ceremony of the Asian Games, bringing with him a high-level political and economic [delegation](#).<sup>1</sup> The visit culminated in a series of meetings with Xi Jinping, the Chinese president, and other high-level Chinese officials, and a summit discussing economic cooperation, and the signing of a strategic partnership between both countries. Although politically important, actual investment into Syria is unlikely to materialize amid instability in Syria and an unguaranteed return on investment.

The Syrian and Chinese presidents met on 22 September in Hangzhou where they [announced a strategic partnership](#) between both countries, the second highest level of diplomatic relations in China. On 25 September, a bilateral summit was held in Beijing that brought together members of the Syrian delegation and Chinese government officials (shown above). During the meeting, the Chinese and Syrian foreign ministers signed a [Memorandum of Understanding](#) (MoU) agreeing to cooperation and exchange in matters of economic develop-

<sup>1</sup> Minister of Foreign Affairs, Faisal al-Mekdad - Minister of Economy and External Trade, Mohamad al-Khalil - Minister of Presidential Affairs, Mansour Azam - Special Presidential Adviser, Bothaina Chaaban - Assistant to the Minister of Foreign Affairs, Ayman Sosan - Special Presidential Adviser, Luna al-Shebel - Director of the Ministry of Foreign Affairs' Diplomatic Institute, Imad Mostafa - Assistant to the President of Planning and International Cooperation Authority, Thoraya Idlibi.

ment and a separate one regarding a cooperative plan for the Belt and Road Initiative.<sup>2</sup> Further details of the MoUs were not disclosed.

Assad later [met](#) Chinese prime minister Li Qiang and chairman of the Standing Committee of the National People's Congress Zhao Leji. During the meeting, Li said that "China and Syria have shared a time-honored friendship" and that "China welcomes Syria's participation in the Belt and Road Initiative, [will continue to support Syria's reconstruction](#)" and "is willing to expand bilateral economic and trade exchanges with Syria." Li also said that the strategic partnership announced in Hangzhou [will be a new blueprint](#) for the development of bilateral relations. Zhao [said](#) that "China is ready to work with Syria" and "to safeguard common interests and push for new and greater development of China-Syria strategic partnership."

### Assad in search of international partnerships, and funding

Assad likely visited China in the hopes of ending his government's international isolation – and by extension, its stark lack of prospects of securing foreign capital in support of reconstruction. Assad has been struggling to achieve both of these goals as [additional sanctions are imposed](#) and the Caesar sanctions [remain](#). Moreover, the Arab League Initiative, which was widely thought to be a step towards ending Syria's isolation and its reintegration into the region, has [shown limited progress](#). The Arab League's Ministerial Liaison Committee has since reportedly [suspended](#) its contact with the Syrian government, citing Damascus' lack of effort to meet any of its commitments toward normalization, effectively bringing normalization to a halt.

Assad's attempt to secure international support and funding from China is unsurprising, with precedent already set for this eventuality. Politically and diplomatically, China is known to [engage with countries that have been isolated by the West](#), previously [Zimbabwe and Sudan](#), and more recently, Venezuela, Iran, and Russia. It has also been a diplomatic supporter of the Syrian government throughout the conflict. Along with Russia (as is customary), China [vetoed eight resolutions](#) against the government at the UN Security Council, most recently in [July 2020](#). In July 2021, Wang Yi, the Chinese foreign minister visited [Damascus](#) expressing the country's support then, and during a [phone call between Xi and Assad](#) in November 2021. Economically, in January 2022, Syria signed an MoU with China to [be part of its Belt and Road Initiative](#) that was hoped would contribute to Syria's reconstruction. China also gave the Syrian government a [\\$14 million grant](#) back in March 2020 to spend on funding humanitarian needs.

### Significant investment by China unlikely

The strategic partnership however is unlikely to yield significant Chinese investments and reconstruction funding for several reasons. China usually seeks to invest in countries that are stable capital destinations to guarantee return on their investment. The growing [anti-government protests](#) in As-Sweida, the [active front line](#) in northern Syria, the [looming threat of a Turkish ground offensive](#), and

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<sup>2</sup> China's Belt and Road Initiative is an expansive infrastructure development strategy stretching throughout Asia, and globally.

the [ISIS insurgency in the Syrian desert](#) do not provide the ideal environment for sound investments.<sup>3</sup> The economic crisis, low purchasing power in the domestic market, and Western sanctions do not inspire confidence in investments either. [Russia and Iran's control over strategic economic sectors](#), including oil and gas, also means that China would likely have more competition among foreign stakeholders; while China may have a substantially higher degree of capital to leverage, the relationships between the Syrian government, Russia, and Iran run much deeper. While a budding strategic partnership is a significant step in Sino-Syrian relations, it does not guarantee that China will invest in Syria. In Iran, for example, China has only [invested a small portion of the \\$400 billion](#) promised in a 25-year deal, largely due to the Islamic Republic's economic instability, international standing, and legal ramifications related to foreign investment.

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<sup>3</sup> For example, prior to the war, China's state-run oil and gas enterprise used to run three oil fields (Sheikh Mansour, Oudeh, and Tishreen) in northeast Syria, but had to close down in 2013 due to the conflict. Sinopec recently [appointed a new manager for its operations in Syria](#) in mid-September, however, the location of these fields under the [control of the US-backed Autonomous Administration](#) and the recent [airstrikes by Turkey on energy infrastructure in the area](#) could dissuade China from following through on resuming Sinopec's work there.



# South and Central Syria

## As-Sweida protests continue

Protests in As-Sweida governorate have extended into their second month, with no signs of abating. The Syrian government still refuses to officially acknowledge the protests, and is actively working on ending the movement. In the meantime, demonstrations have escalated, gaining the attention of US and EU officials who have reached out to Sheikh Hikmat al-Hajari, the protestors' de facto leader.

### Damascus struggles to dampen demonstrations

The Syrian government's approach to end the protests is three-pronged: it hopes to negotiate with protest leaders, discredit and intimidate the protestors, and dissuade domestic and regional actors from getting involved. The government has been attempting to negotiate with Sheikh al-Hajari, a Druze leader who has become the figurehead of the movement, through local officials; As-Sweida governor [Bassem Barsik](#), Rural Damascus governor, [Safwan Abu Saada](#), and Syrian MP [Nawaf Melhem](#) were all dispatched to negotiate with Sheikh al-Hajari and other community representatives, unsuccessfully. Sheikh al-Hajari has refused to compromise on the demands of the protestors, despite reported offers of increased flour and fuel allocations to the governorate from Damascus.

The government has also attempted to discredit the protestors and started resorting to intimidation. Pro-government media figures such as [Bashar Barhoum](#) and [Rafik Lutf](#) have gone on social media, claiming that protest leaders in As-Sweida are part of '[foreign conspiracy against the Syrian government](#)' that aims to 'secede the governorate from Syria and establish an ethnic Druze state.' These activists have pointed to [calls made by US officials to Sheikh al-Hajari](#), the appearance of [Kamal Jumblatt's](#) photo in the protests, and [videos](#) posted by individuals in As-Sweida who are pushing for autonomy/secession as proof of this conspiracy's existence.<sup>4</sup> The government also tried to intimidate protestors and residents by flying fighter jets at a [low altitude](#) over the governorate, [having](#) pro-government combatants [fire their rifles](#) for several minutes during the evening, and [deploying military reinforcements](#). Syrian soldiers have also tried to [provoke protestors](#) while crossing at their checkpoints near Shahba city.

The government also sought to deny the protests of much needed domestic and regional support. Regionally, pro-government Druze politicians in Lebanon issued statements [reminding](#) protestors that the government continues to provide services and called on them to avoid getting involved with individuals who have '[questionable](#)' relationships with outside actors. Local sources stated that pro-government Palestinian Druze Sheikhs have been visiting Druze community and religious leaders across the region to convince them to withdraw their

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<sup>4</sup> Kamal Jumblatt was a prominent Lebanese Druze politician between the 1950s and 1970s. Towards the end of his political career, he was at odds with President Hafez al-Assad who is accused of assassinating him on 16 March 1977. The appearance of his photo in the protests is [perceived](#) to be a confirmation of the protestors' ant-government character.



support for the protests. Domestically, local sources stated that governor Abu Saada visited Druze religious leaders in government-held areas to dissuade them from supporting the As-Sweida protests. Following his visits, the [Druze Sheikhs in Jabal al-Sheikh and Sheikh Abu Saleh](#) issued statements implying their denunciation of the As-Sweida protests. Former head of the Baath party As-Sweida branch, Hassan al-Atrash, has also attempted to convince the governorate's families to take a [pro-government stance](#).<sup>5</sup>

Despite the Syrian government's attempts, protests have only grown in number and intensity. Thousands of protestors continue to [gather in As-Sweida city's public square](#) every Friday, to [remove](#) Assad's pictures and statues in several locations, to put up pictures of community leaders instead, to [close down Baath party offices](#), and to demand the implementation of [UN Resolution 2254](#). Additionally, in a show of solidarity, [Harakat Rijal al-Karama](#) (a major local armed group), a large delegation of southern [Syria's tribes](#), and [Hizb al-Liwaa al-Souri](#) visited Sheikh al-Hajari's residence in Qanawat town to express their support for him and the protestors.

The protests have also gained more attention from international actors. Several foreign government officials reached out to Sheikh al-Hajari to express their support and solidarity with him and the protestors (shown below). The foreign officials [showed interest in recent events](#) in As-Sweida and in Sheikh al-Hajari's "[personal safety](#)."

Title	Name of official	Date
UK Special Representative for Syria	<a href="#">Ann Snow</a>	29 September
Deputy Assistant Secretary Bureau of Near Eastern Affairs	<a href="#">Ethan Goldrich</a>	27 September
Member of the European Parliament	<a href="#">Katrin Langensiepen</a>	24 September
US Congressman	<a href="#">Joe Wilson</a>	20 September
US Senator	<a href="#">French Hill</a>	15 September

*Foreign officials who contacted Sheikh al-Hajari in September (Source: CA-SYR)*

## No solution in sight

The solidarity both inside and outside of As-Sweida appear to show that the government's attempts to disrupt the protests have largely failed. However,

<sup>5</sup> Hassan al-Atrash is the son of Syrian MP Abdallah al-Atrash and a member of the Baath party's leadership in As-Sweida governorate. While Hassan isn't considered a traditional community or religious leader, his importance as a stakeholder lies in his close relationship with the Syrian government. Local sources stated that al-Atrash cracked down on protests in the governorate in 2020 and arrested eight people.

the government has been successful in convincing Druze Sheikhs outside of As-Sweida, particularly in Jabal al-Sheikh and Jaramana, to express their disapproval with the protests in As-Sweida and their demand for Assad's resignation. Sheikh al-Hajari's public contact with foreign officials and his decision to [welcome](#) the anti-government [Hizb al-Liwaa al-Souri, accused of receiving Israeli funding](#), could support the government's message.<sup>6</sup> Regardless, the new international interest would likely make Damascus think twice about a military solution. More recent events in Gaza could divert attention from the governorate however, giving Damascus more freedom to act.

## ATMs out of service amid electricity and staff shortages

ATM services have become a nuisance for residents in government-held areas, particularly public sector employees who are finding it difficult to withdraw their money. Government employees have found it difficult to withdraw salaries from ATM machines belonging to two banks: the Syrian Real Estate Bank and Commercial Bank. The ATMs located in the banks' branches have been rendered out of order, largely due to connectivity issues or non-operational due to the power cuts. As a result, employees have reportedly been forced to pay for public transportation to either move between different branches to find a [functional ATM](#) or to visit the governorate's working main branch. When functional ATMs are found, however, claims have emerged that they are empty and only [functional during working hours](#).

Government banks have been struggling to fill their ATMs due to a shortage in employees who are tasked to do so – this claim was emphasized by Electronic Payment Director, Samer Suleiman, who highlighted a [shortage in employees who replenish ATMs](#) with cash in Damascus city. Suleiman said that 40 employees are required to fill the ATMs twice per day at the Syrian Real Estate bank's 110 ATMs throughout the city; only seven are allegedly available to do so. This has significantly reduced the availability of cash; ATM stocks typically last only for hours due to the high demand, particularly during the beginning and end of every month.

There are a small number of ATMs that are able to adequately service a large number of account holders. Head of the Homs Bank Employees Union, Samir al-Baroudi [said](#) that Homs governorate has a total of 38 ATMs, 19 of which are out of order and require repairs. Al-Baroudi said that there is a clear shortage in ATMs in the governorate and that no new machines have been installed in more than two years. This shortage in functional ATMs is reportedly [leading to crowding](#) as customers, particularly current and retired government employees, wait their turn to withdraw their salaries, at times for several days to do so.

## Dysfunctional ATM services an additional burden

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<sup>6</sup> Hizb al-Liwaa al-Souri is an anti-government political party that was formed in July 2021 that [claims](#) to be opposed to corruption and the expansion and presence of Iran-backed militias in As-Sweida and Syria. They reportedly formed the anti-government militia named "Counter Terrorism Forces" who have clashed with pro-government militias on several occasions in 2021.

Dysfunctional ATM services have become an additional burden on government employees. Households already suffer from limited purchasing power and are struggling to afford essential items. Government employees' meager salary has not been enough to provide essential items for their families [for the entire month](#). Employees already pay high transportation fees on a monthly basis that often [amounts to their entire salary](#). Spending additional time and money on withdrawing a salary becomes an additional burden that further reduces their purchasing power, increases their needs, and could force them to resort to negative coping mechanisms to make ends meet.

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# Northeast Syria

## Al-Hol families return to Ar-Raqqa

On 5 September, the Ar-Raqqa Civic Council (RCC) [announced](#) that 93 families (360 individuals) left the Al-Hol IDP camp and returned to Ar-Raqqa. According to the announcement, the departures were largely handled by the RCC and the Senate Council.<sup>7</sup> In a change to previous departure procedure from Al-Hol, the RCC also noted that its Social Affairs Committee will work towards securing the returnees' needs and also establish a 'Social Welfare' center that will be "dedicated to the affairs of these families". Later on 1 October, the co-chair of the RCC's Social Affairs Committee [stated](#) that the center will work towards providing support to widows, and ensure that children will receive access to schools and education. The official also noted that the Ar-Raqqa Civil Registry would provide personal identification papers for child returnees who lack them – a major obstacle for children from Al-Hol which has previously prevented them enrolling in schools.

### Host communities hostile to returnees

Returnees are expected to face a number of obstacles to their reintegration into society. According to local sources in Ar-Raqqa, perceptions towards returnees are generally negative, with the host communities likely to limit interactions. Despite the absence of any reported incidents of physical violence, local sources noted that returnees are often [verbally abused](#) and [refused employment](#). These problems largely stem from hostility toward ISIS; many residents in Ar-Raqqa were victims (or were close to victims) of ISIS brutality when the group had control over the governorate. For others, wary of the constant monitoring by the SDF of the returnees, they would be likely to avoid interaction in fear of the potential security implications. According to local sources, these dynamics may have prompted some returnees to leave Ar-Raqqa city and seek better conditions elsewhere; however, the veracity of this is unclear, including number of families and destination.

NGOs have reportedly attempted to launch initiatives to ease reintegration, but their overall size and impact remain limited. Local sources reported NGOs hosting dialogue sessions between female returnees and host community members in Al-Thawrah; other NGO activities included vocational training courses for female returnees and host community members. Evidence of the need to increase NGO support for returnees is reflected in the 19 August statement by the Conflict Resolution Committee<sup>8</sup> in Al-Thawrah, [calling](#) on the international community to provide support, especially for children. Attempts by local gover-

<sup>7</sup> Senate Councils are Autonomous Administration-affiliated bodies composed of an area's tribal leaders.

<sup>8</sup> Conflict resolution committees are [independent committees](#) composed of local tribal leaders, activists and NGO workers operating in the area. Established in [2021](#), the committee in Al-Thawrah consists of [20 individuals](#) aiming to [reintegrate](#) returnees into society.

nance bodies to reintegrate returnees have also generally been limited. The only recorded governance entity with a role in host community–returnee relations is the Justice Committee within the Ar-Raqqa Civic Council – it receives complaints from the host community against returnees and is tasked with resolving them.

### Returnees' immediate needs

Challenges in securing personal identification documents were identified as a major concern for returnees, impacting (i) children's access to education, (ii) returnees' ability to secure housing, and (iii) access to health services. According to local and media sources, some returnees cannot secure personal identification papers for children born out of [unregistered marriages](#) with deceased or [foreign ISIS fighters](#). Without these papers, children cannot attend public schools in Autonomous Administration-held areas. They can be enrolled into private schools without identification papers; however, the cost of private education and lack of job opportunities – worsened by difficulties accessing the job market for the majority women returnees – make this option non-viable.

A lack of official paperwork also makes renting accommodation difficult, preventing access to housing. Returnees who manage to secure housing without an official contract, though reportedly rare, risk being cut off from basic services, particularly electricity which requires official documentation to be provided to the Autonomous Administration before it is supplied to households. Similarly, the lack of personal identification documents also restricts returnees' access to the Administration's health services. While NGOs also provide healthcare across the northeast, a dependency on NGOs for healthcare is unsustainable in the long term; should NGOs reduce their healthcare provision, returnees would potentially lose their access.

Consequently, the announcement of the establishment of a Social Welfare center for returnees could be a step toward providing sustainable returns to communities from Al-Hol camp. There have been no further details released of when the Center expects to be operational, and how it is expected to function. In addition, it remains unclear whether or not the Civil Registry will be able to provide personal identification documents for adult returnees. The issues revolving around healthcare and access to housing could persist.

## Administration introduces measures to stabilize economy

Amid the continued depreciation of the Syrian pound, decline in household purchasing power and rising inflation rates, the Autonomous Administration issued a number of price increases threatening to worsen economic conditions in northeast Syria. The price increases also came amid new laws and measures by the Administration to boost the economy. These measures could potentially contribute to long-term economic growth in theory, but are unlikely to alleviate living conditions for residents in the short term. As time passes, and living conditions do not improve, the Administration could struggle to maintain stability.



General Council Approving Law (Source: [AANES official website](#))

## Price increases for bread and fuel threaten status quo

Northeast Syria's economy further deteriorated into the fall 2023. By the end of August, the cost of the Survival Minimum Expenditure Basket (SMEB)<sup>9</sup> increased by over 25% between July and August, from SYP 1.1 million to 1.4 million. Meanwhile, survey [findings](#) published in early October revealed that the estimated average daily wage for unskilled labor in the northeast dropped by approximately \$0.5 cents, from \$2 to \$1.5, between June and August, further straining households' ability to sustain themselves as residents continued to report challenges in affording rent, fuel for generators, food and health services.

Household purchasing power is expected to continue declining after the Administration announced price increases for bread and fuel in September, attributing both decisions to the depreciation of the Syrian pound. On 7 September, the Economic Commission set the new [price](#) of a nine-pack bread bundle at SYP 1,000, increasing it from approximately SYP 350 in [Ar-Raqqa](#) and approximately SYP 500 in Al-Hasakeh, [Quamishli](#) and Deir-ez-Zor. Similarly, the price of diesel [increased](#) for privately owned vehicles, industrial workshops, the SDF and civilian governance institutions from SYP 525 to 2,050 per liter on 17 September.<sup>10</sup> The decision to increase fuel prices sparked unrest, especially in [Quamishli](#) and [Amuda](#), as residents and shop owners staged [protests](#) and strikes demanding the Administration go back on its decision.<sup>11</sup>

9 The SMEB is the minimum culturally- adjusted food items for survival for a household for one month, as provided by the WFP.

10 The [price](#) of diesel for bakeries (125 SYP/liter), electricity generators (125 SYP/liter), heating (325 SYP/liter) and agriculture (525 SYP/liter) remained unchanged.

11 By 3 October, however, protestors in Quamishli [stopped their protests](#) after receiving promises by Administration officials that they would hold discussions to find a solution.



## Salary increases and financial reforms aim to boost household finances

In what could be considered a recognition of the deteriorating economic conditions, the Administration issued a number of new laws and measures to alleviate poor economic conditions. These measures, however, are unlikely to yield positive results in the short term. On 27 August, the Financial Commission [announced](#) a 100% salary increase for Administration employees (from SYP 520,000 to 1.04 million), SDF combatants, and personnel in the Internal Security Forces (ISF) (both from SYP 620,000 to 1.24 million). The SDF also [announced](#) another salary increase for its three types of Commando forces on 17 September. Currently, salaries range from SYP 1.98 million to 3.02 million after the increase.

Although salary increases could enable those impacted by the decisions greater purchasing power, they could also have adverse inflationary effects. Reports published earlier in May and July 2023 indicate that the [Administration](#) has over 133,000 civil servants and ISF personnel, while the [SDF](#) employs over 100,000 combatants. As a result, large cash injections of the magnitude equivalent to the salary increases threaten to add inflationary pressure on markets, negatively affecting households with non-public sector employees.

## Measures for long-term growth

The Autonomous Administration also introduced a number of laws toward long-term economic growth. In September, the Administration issued an [anti-monopoly](#) law, a new [investment law](#) and it also legalized [electronic wallets](#) and [electronic payments](#) for businesses (reducing dependence on cash). While the anti-monopoly law broadly bans monopolies and aims to encourage competition, the investment law also provides incentives to potential investors such as the freedom to transfer funds without restrictions from sources outside of SDF-controlled areas, exemptions from customs on equipment brought in for investment purposes, among other measures. If successful, the law could attract investors and ultimately enable the Administration to diversify its tax revenue streams, increasing cash-flow into the region and funding economic growth.

Despite these new incentives, certain clauses within the new law could also act as a [deterrent](#) to investment. For example, as it stands, the Administration has the power to seize any project – even those with private investments – via a judicial decision. Furthermore, how successful this law would be for investors in an area with substantial instability, as well as looming political insecurity over the future of the northeast, remains to be seen. The anti-monopoly law is also expected to encounter implementation difficulties, amid the presence of individuals and companies with high-level links to the SDF and the Administration, with existing monopolies; Abu Dalo, a business owner, and the Newroz Consumer Corporation are two examples of this.<sup>12</sup>

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<sup>12</sup> Fouad Jamil Mohammed Hassari, known as Abu Dalo is based in Quamishli, with involvement in importing [construction](#) materials, and real estate. Abu Dalo is [known](#) for his links to Administration and Syrian government officials. The Newroz Corporation is an Administration-owned [company](#) that [owns](#) several retail food outlets selling to wholesalers and shop owners operating in local markets.

The introduction of electronic payments and wallets also provides for the possibility of promoting economic growth. These features could allow traders, business owners and residents to decrease their dependency on cash, facilitating greater circulation of money in the economy. Unlike traditional Hawala offices, the introduction of electronic wallets, and the Administration's emphasis that companies would need to register with its authorities before operating, also gives it the ability to regulate the financial market, allowing it to identify the actors operating in the area, and possibly enforce taxes to diversify their revenue streams.<sup>13</sup> This is particularly beneficial for the Administration, which largely [depends](#) on oil sales to fund its budget. The benefits of electronic payments and wallets could also extend beyond the private sector, and be employed by humanitarian organizations. If successfully implemented, these features ease cash-based assistance, facilitating it without the need for humanitarian actors to physically distribute the cash in person, or even the need to hold assets or capital within northeast Syria.

However, these features also require strong and stable internet connection, which is not available to everyone, and is expected to restrict widespread adoption. Similarly, local sources noted that residents, traders and business owners would need to adopt this technology once it is available. As a result, the benefits of electronic payments and wallets will likely need time to materialize.

While the measures set by the Administration in September do have the potential to support long-term economic growth, there are also several other structural issues that are likely to hinder progress. For instance, despite introducing systems to monitor spending in the Administration's Commissions (its governance bodies) a lack of cooperation within these Commissions on the use of these systems was reported to be an issue hindering transparency. Generally, weak governance institutions and poor communication, as [identified](#) by the latest report by the Financial Commission, both laterally between the Central Commissions, and vertically to a local level, inhibits the Administration's ability to design and implement sound economic strategy.

Nevertheless, perhaps the greatest challenge facing the Administration in its quest for economic growth is time. These new measures need time to trickle down to local economies to directly affect residents' everyday lives, by improving, for example, subsidies for bread and fuel. Meanwhile, disenfranchisement with the Autonomous Administration is reportedly increasing. Evidence of this is the recent clashes between residents and the SDF in Deir-ez-Zor in [August](#) that reignited once more in [September](#). These sentiments only create opportunities for external actors to potentially destabilize the region further.

## Turkey Responds to Ankara terrorist attack

On 1 October, an [explosion](#) from a body-borne explosive device (more commonly known as a suicide vest) injured two Turkish officers (and killed the bomb-

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<sup>13</sup> For years, the Administration has been attempting to [force](#) hawala offices to register to continue operating in the northeast, but have been unsuccessful. The latest attempt was in August 2023, when it threatened closure for failure to register. Protests then meant the decision was reversed.

er) outside the Ministry of Interior in Ankara. The blast is the first of its kind in Ankara since 2016 and is also the first notable terrorist incident following the November 2022 [explosion](#) in Istanbul.

Hours after the attack, the People's Defense Forces (HGP), the armed wing of the Kurdistan Workers' Party (PKK), [claimed](#) responsibility, calling it "an act of legitimate defense." In response, Turkey [attacked](#) over 20 alleged PKK positions in northern Iraq the next day, and ordered drone strikes on Quamishli, northeast Syria on 2 October. The Quamishli [strike](#) reportedly killed Muzdelif Taskin, an alleged leader of the PKK in Syria, responsible for the 2007 PKK attack killing 12 Turkish troops in Turkey's Hakkari province. On 8 October, SDF commander-in-chief, Mazloum Abdi [stated](#) that Turkey had targeted a total 145 sites in the northeast, including key [infrastructure](#) predominantly in Al-Hasakeh and Quamishli, [killing](#) approximately 28 ISF personnel and injuring 29 others.



As-Sweidiyeh gas-powered electricity station (Source: [North Press Agency](#))

## Service infrastructure hit hardest

Turkey's [defence](#) and [foreign](#) ministers issued statements on 4 October announcing all facilities belonging to "terrorist groups" in Syria would be considered legitimate targets for Turkey's armed forces. By 9 October, [oil wells, gas and electricity generating facilities](#) were among the infrastructure targeted. According to a statement by the co-chair of the Administration's Energy Office on 6 October, Turkey targeted electricity generation and transformation stations Al-Hasakeh, Quamishli and Amuda. The As-Sweidiyeh gas-powered electricity station, [providing](#) electricity to hospitals and bakeries in Al-Hasakah and Quamishli was also damaged; it [reportedly](#) lost 80% of its production capacity while other [reports](#) indicate that services have completely stopped.

The direct impacts of Turkish bombing of service infrastructure in northeast Syria are profound. Reports indicate that nearly 200,000 residents have been



[deprived](#) of access to water and electricity, while others [indicate](#) that up to 800,000 people will be impacted by damage sustained to the electricity infrastructure. Damage to the electricity infrastructure has meant that water provision has [significantly declined](#). With the As-Sweidiyeh station targeted, the water station at the Safan Dam providing water to the Quamishli, Qahtaniyyeh, Al-Jawadeih and Al-Malikeyyeh sub-districts has decreased its production from 24,000 cubic meters per day to less than 9,000, and is reliant on secondary generators to function.

Hospitals and bakeries are also expected to be immediately [impacted](#). Blackouts were [reported](#) in many hospitals, with some reports estimating that 30 health facilities no longer have access to electricity from the network in Quamishli and the Malikiyah districts. Lastly, bakeries, silos and mills in the subdistricts of Quamishli, Qahtaniyyeh, Al-Malikeyyeh, and Al-Jawadeih are all [reliant](#) on the As-Swediyyeh station for electricity. As such the damages sustained to the station is likely to impact food security in the region.

### Impacts on markets and living conditions of widespread destruction

As damage to infrastructure continues to be assessed, residents are expected to develop a number of coping mechanisms to secure their basic needs. For instance, local sources report that residents, bakeries and hospitals will likely use private diesel-powered generators to secure electricity. Though no changes in prices were reported, largely due to the Autonomous Administration distributing fuel to residents, local sources expect that the increased demand for fuel is likely to spur price increases once the public stocks begin to decrease. An increase in fuel prices is also likely to have a domino effect on other prices as well, including but not limited to energy prices and food. As winter approaches, many residents will be unable to afford fuel not only for electricity but also for heating.

The long-term impacts on markets are expected to be widespread. With oil wells in both areas targeted, local sources noted the possibility that the Administration will start providing Al-Hasakeh and Quamishli with fuel and diesel extracted from Deir-ez-Zor. This could decrease supply in Ar-Raqqa and Deir-ez-Zor, increasing prices and potentially disrupt market functionality. Local sources also noted that the quality of oil coming from Deir-ez-Zor is generally lower than that extracted from Quamishli, leading to higher maintenance costs for oil burners and generators for residents.

# Northwest Syria

## UN aid through Bab al-Hawa resumes



*Aid trucks lined up at Bab al-Hawa border crossing from Turkey into Syria (Source: [Bab Al-Hawa Crossing Management](#))*

On 19 September, a UN aid convoy entered northwest Syria through the Bab al-Hawa border crossing, the first of its kind since 11 July, when the UN Security Council failed to agree to extend the cross-border aid delivery mechanism. The [convoy](#) consisted of 17 trucks carrying medicine and medical equipment, food, and stationery supplies. The Bab al-Hawa crossing management announced on 3 October that [65 trucks](#) had entered northwest Syria in September, carrying 1,004 tonnes of UN aid divided into 87.5% logistical materials, 9.9% relief materials, and 2.6% medical materials, indicating a resumption of UN aid through the border.

Since July, a series of understandings have been announced between the UN and the Syrian government, and the UN and the de facto authorities in northwest Syria, which have contributed to the resumption of aid transit through Bab al-Hawa. The terms of these understandings were not publicized, and their ambiguity, particularly around the legal basis for the UN to be able to resume operations, and level of involvement from Damascus, has led to concerns in the humanitarian community. Humanitarian actors are afraid of the new dependence on the Syrian government, and its ability to withdraw consent in the future. CA-SYR understands that, based on unpublished communications, the coordination mechanisms, transshipment functions, and engagement, information sharing,

and access principles that previously governed the Security Council-authorized cross-border hub have largely gone unchanged, at least for the time being.

## Initial agreement with Damascus provides legal basis for UN cross-border aid

On 13 July, following the Security Council's rejection of the proposed resolution to extend the cross-border aid mechanism, the Syrian government [agreed to a conditioned](#) resumption of aid delivery through Bab al-Hawa. These conditions included a block on coordinating with "terrorist groups" (the opposition parties largely running the northwest), and the requirement for the Syrian Arab Red Crescent (SARC) and the International Committee of the Red Cross (ICRC) to facilitate the process. The UN [described](#) these conditions as unacceptable, but acknowledged that the Syrian government's authorization could provide a basis for the legal conduct of humanitarian operations. On 7 August, the UN then negotiated a [new agreement](#) with the Syrian government for the use of Bab al-Hawa to deliver humanitarian aid for six months and Bab Al-Salamah and Ar-Ra'ee border crossings in northern Aleppo for three months.

The SSG, then and now, has [rejected](#) the Syrian government's involvement in the cross-border mechanism, while [85 Syrian NGOs](#) issued a statement also rejecting the agreement, saying it would lead to catastrophic effects on humanitarian operations in northwest Syria, and place humanitarian operations under constant threat of being cut off.

## Enter the HAC

Despite the new agreement with the Syrian government in August, it wasn't until after 12 September, following an [agreement](#) made between the UN and a newly established coordination body, the Humanitarian Action Coordination Office (HAC), that cross-border aid deliveries resumed. According to the agreement, the HAC has authorized the UN to use the Bab al-Hawa crossing to deliver humanitarian aid "[independently](#)" and allows for the transit of UN humanitarian missions' teams until the end of 2023. A HAC official [confirmed](#) that its agreement with the UN is separate from any decisions issued by the Syrian government.

The HAC was relatively unknown prior to the agreement, with conflicting information available in relation to its establishment in Idleb. Some [sources](#) claim that it is an independent body established in late 2022, with the aim of coordinating humanitarian work between international, regional and global support platforms and implementing humanitarian organizations located in northern Syria. Other sources claim that it is [affiliated](#) with the SSG Ministry of Development and Humanitarian Affairs, established last August with headquarters in Bab al-Hawa and Idleb city.

So far, there are no published details of the agreements under which the UN currently works – anecdotally, the decisions were largely agreed during calls and private messages, with no written documentation past what is publicly available in letters. Letters [exchanged](#) between the UN emergency relief coordinator, Martin Griffiths, and Syria's Ambassador to the UN, Bassam Sabbagh, indicate



the possibility that the Syrian government has come to an understanding with the UN to allow the use of the crossing, without mentioning its original conditions. The absence of an official comment from the Syrian government either rejecting or approving the current mechanism being implemented by the UN supports this, particularly as HAC has confirmed that the Syrian government has no role in their agreement with the UN.

In any case, if the Syrian government's approval has provided the legal basis for the current UN work, then there will be new negotiations between the two parties next February, upon the expiration of the authorized 6-month period. To a lesser extent, discussions may need to take place around extending deliveries through Al-Salamah and Ar-Ra'ee crossings in November. Damascus is expected to push for increased cross-line delivery and equity in funding for government-held areas.

If, however, the UN is working outside the framework of its agreement with the Syrian government, disruptions to aid deliveries caused by either Damascus or its Russian supporters are possible. The UN will then have to find alternative methods of aid provision, either through INGOs, or partnerships with local organizations to provide support for people in the northwest for the upcoming winter.

## Homs bombing fuels brutal retaliation

Following an explosion on a Syrian government Military Academy in Homs city on 5 October, which killed more than a [hundred](#) soldiers and civilians, the Syrian army launched a fierce aerial campaign targeting Idleb, western Aleppo, and areas south of the M4 highway. By 8 October, media outlets recorded over 198 shellings and 35 airstrikes reportedly [targeting](#) more than 61 cities and villages, leading to the [death](#) of 46 residents, including nine women and 13 children, and injuring 213 others. The campaign is still ongoing, with primary missiles and artillery shells, at a decreased intensity.

## Bombs target schools, hospitals and residential areas

Government forces targeted at least ten [hospitals](#) and medical centers, causing damage and disruption to services and putting at least one hospital completely out of service.<sup>14</sup> The Idleb Health Directorate is working at its [maximum](#) capacity, and a circular has been issued to health facilities to work under a state of emergency; to focus efforts on emergency services, stop receiving non-urgent cases, and suspend the work of administrative personnel unrelated to emergency services. The health sector in the northwest is still recovering from the February earthquakes, and will struggle to cope with the reduced capacity as a result of direct attacks and reduced services.

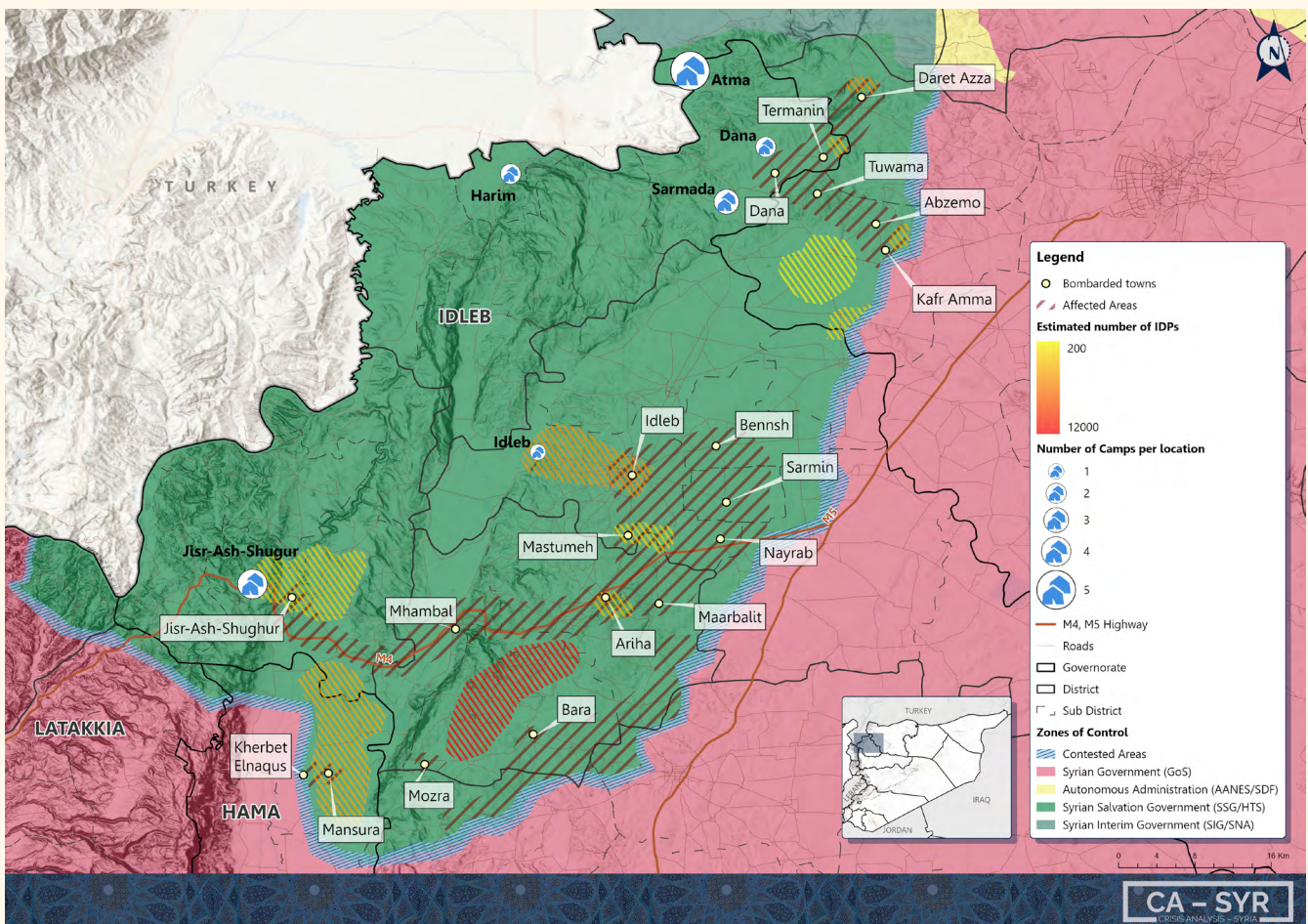
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<sup>14</sup> The reported health facilities that have been targeted include: the University Hospital, Ibn Sina Hospital, the National Hospital, the Maternity Hospital, the MRI center, and the dialysis center in Idleb city. The medical complex in Termanin, Al-Eis Hospital in Dana, Al-Kinana Hospital in Daret Azza, the Women and Family Health Center of the Syrian Civil Defense in Ariha.

The severity of the bombardment forced the Directorates of Education in [Idleb](#) and Aleppo to suspend official working hours in public and private schools until 12 October. The University of Idleb also postponed supplementary course exams until 14 October. The Free University of Aleppo [suspended](#) teaching on 8–9 October in all of the University’s colleges and institutes.

### Displacement at highest level in years

The escalation led to the largest conflict-driven wave of displacement in several years; at the time of reporting approximately 78,709 civilians have been [displaced](#) from the cities, towns and villages of Idleb, Jisr Ash-Shughur, Bennesh, Ariha, Sarmin, Nayrab, Maarbalit, Muhambal, Mastumah, Dana, Termanin and Daret Azza, and other targeted areas. The Syrian Salvation Government (SSG) has [established](#) 17 centers to receive IDPs with a capacity to accommodate 1,250 households. As of 8 October, 500 households had reportedly reached those centers,<sup>15</sup> while others have joined their relatives in areas close to the Turkish border and northern Aleppo. The Civil Defense (White Helmets) [reported](#), on 10 October, the evacuation of 1,200 families from the targeted areas. The



Map of displacement and location of IDP camps in northwest Syria. (Source: CA-SYR).

15 The centers were distributed as follows: 5 centers in the Atma region, 4 centers in Jisr Ash-Shughur, 3 centers in Sarmada, 2 centers in Harim, 2 centers in Dana, 1 center in the central region.

largest percentage of the displaced were families from the villages in the Al-Ghab Plain and Jabal Al-Zawiya, where the bombs were particularly intense, and where there is a possibility of ground advancements.

## HTS rebellion causes instability in Euphrates Shield areas

Violent clashes erupted in Euphrates Shield areas, disrupting control over the economically important Al-Hamran crossing. A large section of the military group Ahrar al-Sham – Eastern Sector, affiliated with HTS and part of the [Al-Shahba Gathering](#), switched affiliation to the Syrian National Army's Second Corps, engendering exchanges of control over the crossing, a situation which is still evolving. The remaining sections, supported by the Al-Shahba Gathering and HTS, fought back to regain control of Al-Hamran.

Tensions began within the Eastern Sector on 30 August when its commander-in-chief, Muhammad Rami (Abu Haidar Maskanah), [dismissed](#) both his deputy commander-in-chief and military commander from their positions of responsibility guarding the Al-Hamran crossing, and announced he would be joining forces with the SNA's Second Corps. The two dismissed commanders mobilized their own supporters in the Eastern Sector against Abu Haider, however to limited effect; the Second Corps successfully provided backup to the commander-in-chief. HTS then tried to send reinforcements from Idleb, however were blocked from entering the Turkish-controlled Euphrates shield areas by [Turkish army](#) soldiers and tanks on 14 September, at the Kafr Janna intersection connecting Afrin and Azaz.

Clashes escalated between the HTS loyalists in the Al Shahba Gathering and other members of HTS (stationed in the north as support for tribal groups during clashes against the SDF in early September) and the Second Corps alongside Abu Haidar's group. Roads were cut off between most of the villages in Al-Bab, Akhtarín, and Jarablus, and violence continued. The Syrian Interim Government (SIG) called for the SNA to be on [high alert](#) against possible incursions by HTS into Euphrates Shield areas.

### Displacement and disorder among northern villages

The armed confrontations and use of heavy weapons caused displacement from the villages and towns caught up in the clashes. The death and injury toll of civilians and combatants are as yet unknown, and there were also reports of hostages being taken on both sides.

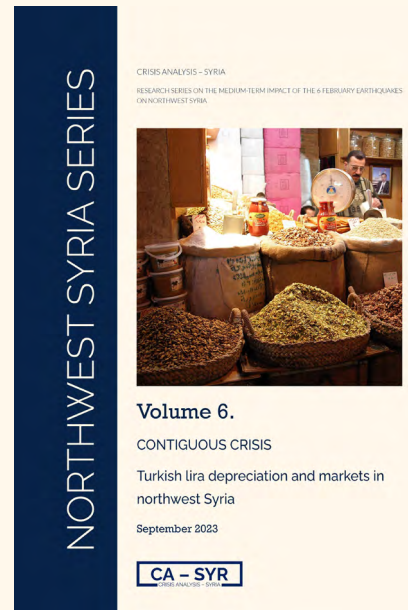
As it stands, Turkish authorities have demanded a truce and withdrawal of HTS troops from Euphrates Shield territory (members of the Al-Shahba Gathering reportedly violated the truce by attacking the villages they were withdrawing from.) As of the end of September, the precise map of control within Euphrates Shield areas is unclear, as is which party has control over Al-Hamran crossing. Stationed nearby are armed militia affiliated with both HTS and the SNA, and there are reports of ongoing negotiations between the various parties.



## Future conflict and the Al-Hamran crossing

Control of the Al-Hamran crossing has been cause for confrontation between HTS and the SNA on several occasions over the past year, most notably in [June and October 2022](#). Each time, fragile agreements were upheld between the parties. These included allowing HTS-affiliated groups to manage the crossing, while providing a share of the crossing's revenue to the SNA. The agreements rarely last, leading to regular confrontations between the armed groups in Euphrates Shield areas. HTS is keen to remain in the area to secure support, and to make use of the revenue stream from Al-Hamran. Its members continue to try to form affiliations with different SNA factions, including the Hamza Division and Sultan Suleiman Shah Brigade. Some factions in the SNA however are keen to wholly control the crossing. For a more permanent solution, Turkish pressure on the various parties will be essential.

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Monthly Report, August 2023

*The Arab League’s Ministerial Liaison Committee meeting in Cairo acknowledged of the Syrian government’s efforts towards normalization in the region, however, actual results remain uncertain. Protests in As-Sweida followed the government’s decision to increase fuel prices by up to 167%, and then spread to Dar’a, Idlib and Aleppo and Deir-ez-Zor and Ar-Raqqa. Damascus’ options for a resolution are few. In northeast Syria, clashes between Arab tribes in Deir-ez-Zor and the Syrian Democratic Forces are becoming a serious security threat. Attempts at mediation (with the support of the US) have so far failed. In northwest Syria, Hay’at Tahrir al-Sham arrested HTS deputy leader, Abu Maria al-Qahtani on the grounds of espionage, a blow to its leader Abu Mohammad al-Jolani.*

[Go to report](#)

Regional Situation Analysis

The potential impact of black sea escalations on food security in the Middle East and North Africa

*Countries in the Middle East and North Africa have contended with food insecurity for decades as their populations grow alongside increased demand for imported foodstuffs. This has left many countries across the region heavily or partially dependent on imported grains, in particular those exported through the Black Sea. This dependency came to the forefront in 2022 when grain shipments from Ukraine were at risk of being completely halted prior to the Black Sea Grain Initiative (BSGI) being struck. This paper examines the risks facing certain Middle Eastern countries considering a series of conflict escalations affecting Black Sea grain exports following Russia’s withdrawal from the BSGI in July. (Mercy Corps Website).*

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NWS Series Volume 6.

Contiguous Crisis: Turkish lira depreciation and markets in northwest Syria

*Recent depreciation of the Turkish lira is causing a ripple effect on markets in northwest Syria. Here, Crisis Analysis – Syria assesses the statistical impact of Turkish lira depreciation on prices in northwest Syria and the reactions taken by consumers, business owners, and traders. Decline of the lira and further inflationary pressure is expected in the months to come. Understanding these market dynamics is crucial to building programs that help alleviate the burden already being placed on the most vulnerable communities in the northwest.*

[Go to report](#)

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The Crisis Analysis – Syria (CA-SYR), formerly HAT, was established in Beirut in March 2015 in response to the collective challenges facing the remote humanitarian response in Syria. CA-SYR's most important function is to collect and analyze data and information. Since 2015, our analysis has provided a forward-looking template for international interventions in Syria, and facilitated an increasingly adaptive, integrated, and ultimately impactful international response to the conflict. CA-SYR is a team within Mercy Corps, and is part of the Mercy Corps response to the Syrian crisis.



*This report is for humanitarian/development purposes only. CA-SYR strives to ensure products are impartial. The content of this document does not necessarily reflect the opinion or position of Mercy Corps as an organization.*